

Inflation targeting in developing countries: Perspectives for Russia

Validova A.

Kazan Federal University, 420008, Kremlevskaya 18, Kazan, Russia

Abstract

This study analyzes theoretical and methodological approaches to inflation targeting (IT) as a monetary policy regime. Important prerequisites, advantages and disadvantages of IT are discussed. The paper provides a comparative analysis of recent experience of IT in developing countries, describes the main challenges faced by them during the transition process to full-pledged inflation targeting. Author applies the results to Russian monetary system and discusses country's perspectives to adopt inflation targeting.

Keywords

Developing countries, Emerging markets, Implicit inflation targeting, Inflation targeting, Monetary policy